Performance Based Standards and Overall Acreage Development Strategy

Introduction

"Acreages" have been a long standing issue of discussion for the City and County for at least 25 years. Approaches in the past have included the adoption of the 20 acre Agriculture (AG) District in conjunction with the (3 acre) Agriculture Residential District (AGR); directing where smaller lots are permitted and predesignating areas of "Low density residential" in the Comprehensive Plan, where acreage development would have a presumption of approval. In 1987, the County Board adopted a supplemental list of review criteria that included such items of consideration on rezoning applications as the existence of paved county roads, surrounding development and water.

During the development of the 2025 Lincoln-Lancaster County Comprehensive Plan, the discussion of acreages was integrated into the discussion of the growth of the City, the environmental resources of the County and other existing conditions of land. Discussion of different carrying capacity in different portions of the county was discussed/proposed and rejected as being to broad an approach.

Comprehensive Plan Language

Guiding Principals for Rural Areas (pg F 70)

Specific areas will be designated so that approximately 6% of the total population in the County can be accommodated on acreages. Grouping acreages together in a



Stevens Creek Stock Farm

specific area enables services to be provided more efficiently, such as reducing the amount of paved roads, fewer and shorter school bus routes and more cost effective rural water district service. Grouping also reduces the amount of potential conflict points between farm operations and acreages.

In determining areas of higher density rural acreage (200 units or more per square mile), numerous factors will be reviewed, such as but not limited to water and rural water districts, soil conditions, roads, agricultural productivity, land parcelization, amount of existing acreages, and plans for urban or town development. Acreages should develop in areas that best reflect the carrying capacity of that area for acreages. A performance criteria should be developed to review requests for acreage zoning and to determine where these standards can best be met. (F 70)

New urban acreage development is not encouraged in the Plan Vision Tier I areas for Lincoln, except for areas already zoned, previously designated for acreages or under development, in order to provide areas for future urban growth and to minimize the impact on new acreage development. This will reduce the number of acreage homeowners who would be impacted by annexation in the future. Even though acreages can be designed with infrastructure to city standards, there is still an impact on acreage owners and their families during annexation in terms of changes in school district, the character of the surrounding area and financial implications. Impacts to the acreage homeowners and to the City of Lincoln can be avoided by locating acreages in areas outside of the Tier I areas.

These principles are embodied in the following Acreage Development Policy.

Retain the current overall density of 32 dwellings per square mile (20 acre) for all agriculturally zoned land. Provide for an ability to divide two 3 acre lots per "40" acre parcel with conditions and administrative review and right of appeal. This would allow more flexibility for parcel size while retaining the overall density and assist in retaining farmable units of land.

Provide more bonuses and a lower threshold size (not below nominal 40 acres) for the proven technique of "cluster" development using the Community Unit Plan. This technique has been successful in providing flexibility while preserving both farmland and environmental resources at the same time. (pg F 70)

Development of a performance standard "point system" will allow the location of higher density rural acreage development in either "AG" or "AGR" where the review criteria can be met. This allows equal treatment across the county, maximum freedom of determination of marketing and sale, while locating those developments only in those areas where sufficient "points" can be accumulated to justify the development at the requested location.

New 'urban acreage' development should only be permitted in Tier II and Tier III areas of Lincoln and near towns under higher design standards based upon a "build-through" model and without use of sanitary improvement districts. The "build-through" design standards should address, along with other items deemed necessary by the study;

- a preliminary plan lot layout that accommodates first phase low density acreages with rural water and sewer systems. The preliminary plat would also show future lot splits as a second phase to permit the urban infrastructure to be built through and urbanization to occur if and when annexed by a city or town is deemed appropriate. The future lot splits will increase density in an urban form and provide income to property owners to defray the increases in city taxes, services and infrastructure costs;
- a lot layout that meets the various elements of the Comprehensive Plan; and
- a development agreement that runs with the land and acknowledges that the acreage development (i) is not entitled to extra buffering protection greater than the acreage property lines from existing agricultural practices and from future urbanization and (ii) waives any future right to protest the creation of lawful centralized sanitary sewer, water

and paving special assessment districts or other lawful financing methods at a later date when urbanization is appropriate.

When the independent study to quantify and qualify the positive and negative economics of acreage development is completed, the county should determine if an impact fee or other development exactions are needed to be sure acreage development is paying its "fair share" of costs. The study should include a review of policy issues and options such as the build-through concept, lot size, acreage standards, acreages and town relationships, acreages and sensitive areas, agriculture, acreage clusters, desired acreage population, acreage size and land use consumption and AGR zoning. (Pg F 71)

Supply and Demand for Acreages

In understanding the need for acreage development, it is helpful to review when, how and where it has occurred in the county. The attached map and table (A) show that the number of dwellings outside of the incorporated towns has grown from 3,200 dwellings in 1960 to almost 6,600 dwellings in 2000. This growth has not been geographically even but has remained close to Lincoln, i.e., withing three to five miles of the



West Denton Road

City Limits, centered in the area around the south and southeast of the City. In contrast, in many of the townships near the edge of the County, the dwelling unit count has remained steady and even dropped over the same 40 year period.

There are currently about 15,000 persons occupying about 3,900 dwellings on "acreage" lots around the county, outside of the incorporated towns (3.8 persons per dwelling).

In the 1990 and 2000 U.S. Census reports, for Lancaster County, "rural none farm" units and population represented about 6% of the total County population. An assumption in the 2025 Lincoln/Lancaster County Plan is that this trend will continue and the community will need to plan for approximately 6,700 persons and between 1,700 and 2,800 dwellings in the next 25 years outside of the cities and towns of the county. This would be a little more then 100 units per year on the average, about 1/2 square mile in area. (Note the current number of persons per dwelling in the county are higher than in the city. If future numbers remain constant, fewer new dwellings will be needed than projected).

Table B-1 and B-2 show the building permit activity from 1980 to 1994 and from 1998 through 2002. This represents buildings being constructed on parcels of 20 acres or less in size, since building permits were not required for permits over this lot size. Note that the number of permits issued in any year varies from a low of 23 (1981) to a high of 132 (1994) with *an average of about 74 dwellings per year* for the twenty years shown (an additional 25-30 dwellings are built on large lots, bringing the total to about 100 per year). It's also noteworthy that the trend of location is for most of the dwellings to be constructed close-in to Lincoln, with between 2/3 to

3/4 generally being within the three mile jurisdiction of Lincoln. Though additional dwellings are being constructed on lots over 20 acres in size, it is expected that trend will continue and it is not an issue within the "acreage" discussion since they would be defined as "farms" and occur at a low enough density that impacts are limited. If anything, dwellings constructed on larger lots absorb demand and reduce the need for the creation of smaller lots to build on. Another measure of activity is the number of access permits issued by the County Engineer between 1997 and 2003 for subdivision lots (averaging 69 per year) and other residences on larger lots (averaging 54 per year) (attachment C). A recent (Sept 2003) review of assessors records indicated an average if 47 new dwellings a year in the last 12 years on parcels over 20 acres in size.

A survey of subdivisions approved by the City and County between 1990 and 2001 is shown on attachment D. In that eleven year period 760 residential lots received preliminary approval in the three mile extra territorial jurisdiction (etj) and an additional 181 were approved in the county for a total of 941 lots. This is an average of about 85 lots per year during that time. This does not include larger parcels that are over 10 acres in size, and do not require subdivision approval. Nor does it include lots approved within the one mile jurisdiction of the other 12 incorporated towns of Lancaster County.

Current estimates of existing parcels in the county amount to 1,300 vacant parcels under 20 acres in size. In addition, there are currently 7,900 acres of land zoned for acreage development and some 3,000 acres of that is undeveloped. In addition, of the 40 square miles of area in the Comprehensive Plans of the County and the towns shown for acreage development, there are still some 18,000 acres that are not yet either zoned or platted. The current amount of land that is shown or zoned and yet undeveloped represents about <u>46.75 years</u> of potential supply. (See attached table D-1.

In addition to the existing potential supply noted above, the use of the "farmstead split" (breaking off of existing farmhouses), the use of acreage cluster development of smaller lots and the potential use in the future of providing for two three-acre parcels from each "40" as called for in the Comprehensive Plan, provides for many additional opportunities for acreage development in the county (note map J attached that shows existing and approved acreages, zoned, shown, and clusters)...

In conclusion: it appears that there is a projected need to provide about 100 dwellings per year during the 25 year planning period (about 1/2 square mile per year). Building permits vary from year to year but have generally reflected a demand of about 100 new dwellings per year. The creation of lots through subdivision has also reflected the trend of close to 100 per year. The availability of platted, zoned, shown or other parcel creation opportunities, far exceeds the expected demand in the next 25 to 50 years.

Development of Performance Criteria

The Planning Department developed a criteria and weighting system for review of applications for evaluating the appropriateness of different residential density in the County. The performance criteria would be used to evaluate applications for community unit plans, special permits and zoning changes.



An Acreage Resource Group (ARG) consisting of 12 citizens and staff (see attachment E) was formed and assisted the department in the development and review of all three acreage related studies ("buildthrough", Cost of Rural Services and performance standards). This group included representatives from the acreage community, county engineer, city public works, farmers and the development community.

With the ARG assistance, staff developed a list of some 24 items that should be considered in acreage development applications (attachment F).. This listing was then refined to the following:

Criteria	Value	Weight	Total
1. Roads		5	
2. Water		5	
3. Existing Development pattern		4	
4. Schools		1	
5. Soils		2	
6. Flood plain		2	
7. Environment		3	
8.State or Fed endangered species		5	
9. Green space/park		1	
10. Historic Site/Trail		2	

11. Known pollution site	3	
12. Feedlot/ Livestock	3	
13. Pipeline withing 300'	1	
14. Proximity to towns or service	2	
15. Conformance with other adopted plans	3	
16. Proximity to fire station	3	
17. Proximity to shown or zoned acreage areas (added later)	10	

Each of the criteria items has a measure of impact and effect on the location of residential acreage development;

Roads are important for both the County and the individual residence as to the ability of the road system to carry the traffic and the ability and ease of accessibility to access the dwelling.

Water availability, quantity and quality is significant in the location and use of dwellings

The existing development pattern reflects the character of the area and the potential impact on neighbors

Schools can be impacted severely depending on the capacity of the school system

Soils are important when considering the potential crop production of the land that may come out of production or the impact on continued farming on neighboring land.

Flood plain is important to both the placement of structures relative to future costs and damage and to the protection of water quality and the environment.

Environment can include many things such as wetland, lakes, trees, prairie and other

issues. Designing acreage development to be respectful of the environment is important.

Endangered species need to be recognized and acknowledged in order to both protect the species and provide proper locations for development.

Green space and parks can both provide and impact on an acreage, uses such as hunting and public activities, and the dwelling can likewise have an impact on the park

Historic trails and resources are noted so they can be acknowledged and built in to proposals or any impacts recognized

Pollution sites, if identified, can be avoided or designed around

Feedlots can be an impact on others and other land uses can be a source of complaints about feedlots

Pipelines present a potential hazard that needs to be addressed and avoided or designed around

Proximity to towns provides a measure of distance to service

Conformance with other adopted plans insures a level of comparability

Proximity to fire stations reflects the relative public safety aspect of response time for emergencies

Proximity to other acreage or urban zoning reflects the potential use of other close lands and their comparability

The 17 criteria items were then assigned a relative value to each other ranging from 1 to 5. For example, roads were deemed to be a very important criteria and were assigned a relative weighting of 5, while adjacent parks and green space was assigned a weighting of 1.

The weighted value grouping is as follows;

- Roads, Water and Threatened and Endangered Species (Proximity to acreage zoning was weighted at 10)
- 4. Existing Development Pattern
- 3. Environment, Pollution sites, Feedlots proximity, Fire Stations, and Conformance with other adopted Plans
- 2. Towns and Service, Historic sites and trails, Soils and Flood plains

1. School capacity, parks and open space and pipelines

This criteria listing was then expanded to include sub sets of each criteria, for example, roads were broken out as paved, within the 1 and 6 year road construction program, graveled or dirt. Then a value was assigned within that category for each of the sub sets. Thus each parcel of land can be graded by the 16 criteria and the subsets within each criteria and a score produced which then is multiplied by the respective weight and a total scoring produced for any parcel. Some caveats apply, in that a parcel may have one value but a subdivision proposal of that site may amend the exiting land in such a way the scoring can be increased or decreased., as an example, a wetland may be a negative factor but protection of that wetland with conservation easements could turn that into a positive scoring factor. The results of that process are reflected in the grid matrix illustrated in attachment G.

Development of GIS Mapping

The Planning Department GIS division utilized a software program called "GRID" to provide an analysis of the county using the matrix values described above. The computer software could total all the values for the different "layers" of information on a parcel of land. This was done on a grid of 10 foot square through out the county, excluding the incorporated towns and the Lincoln Future Service Limit (the 25 year growth limits).



Two maps have been generated using this process for illustrative purposes to see the effects of the application. Map A represents a range of values from -775 to + 425. This range is shown in four gradations of intensity with those more positive, i.e., higher score, being in the darker (red) ranges.

Thirteen recent projects were reviewed to judge what the typical range that might be expected would be. That resulted in an average score of about 200. Map B shows the areas with scores over 200 in the darker (orange and red) It would be expected that this scoring system will be the subject of continued enhancement as better information goes into the data base and road paving and other items change.

This scoring procedure should be used as an evaluation tool for change of zone requests. This method can be modified to accommodate other types of review such as requests for increased bonuses for environmental resource protection.

It is anticipated variations of this analysis tool could also be utilized in many other capacities, including;

- * determining likely area of need for schools and new road paving
- * determining potential impacts on special permit applications, including feed lots
- * analyzing performance for other existing or potential techniques, such as Transfer of Development Rights/Densities within the County
- * review of requests for other applications such as an industrial change of zone.

Relationship to other studies

The three acreage related studies currently underway all have an interrelationship.

The Cost of Rural Services Study provides information on the cost of county services for acreages and other uses as well as the cost of the primary service provided, which is county roads. Some of the major findings of that report are as follows;



Only agriculture pays its own way relative to taxes paid vs taxes services received. Acreages and other land uses do not. The

break-even point for an acreage to pay its way relative to county services is \$286,000 and the current average value of rural acreages is \$162,800. The average sales price for new acreages in May of 2003 was \$210,400. Considering an example of County, Waverly school and Southeast rural fire, the "breakeven point" for a new rural dwelling would be \$283,700.

Lincoln represents about 85% of the county tax base and is a significant underwriter of the costs of rural development.

The municipalities currently are paying about \$6.6 million dollars per year for county services provided to the unincorporated area. Another way of stating this is the \$6.6 million is paid for services not received but provided to others. Lincoln taxpayers contribute about \$6 million per year of this "subsidy".

In FY 2002, County Roads and Law Enforcement represented 78% of County outlays in the unincorporated area. Because roads have such an impact on County service cost, acreage development on an existing paved road where no future capital cost is required (paving or bridges) has a breakeven point of only \$153,000 (average capital cost of converting a gravel to a paved County road is \$320,000 per centerline mile). The study estimates that the average cost to the County for road improvement, prorated to the impact of an individual dwelling unit on an acreage lot, is \$7,000 per unit or \$538 per year annualized over 20 years. The study did not consider the additional impact that acreage developments in the county have on roads inside Lincoln, or for that matter their impact on other city services.

By locating on existing improved roads the direct impact on the county and taxes to city and county tax payers can be minimized.

The *Acreage Development Performance Standard* discussed above can establish values and preferred performance for the location of acreages in the county. Again, the example of locating on existing improved roads comes to the front as a criteria in location. The proximity to other County services is also reflected in the scoring system. This method of review could also be a model for other municipalities in their extra territorial jurisdiction (ETJ).

The *Build Through* study provides guidance and standards on how to locate and build acreage development in the Tier II and III growth areas of Lincoln, so that the impacts of the city's growth to and around acreage development can be minimized. Included in that study are provisions to set aside 80 to 90% of a parcel for future development, to design the acreage cluster to provide for conversion from a rural standard to an urban standard at the time of City annexation, and provisions for agreements of future owner responsibility on costs to upgrade infrastructure.

An Overall Acreage Development Strategy

Attached is a map of the growth Tiers identified in the City - County Comprehensive Plan. Tier I is that area identified for the City to grow into over the next 25 year planning period, about 40

square miles. Tier II show those areas the city anticipates growing into in the following 20 - 25 year period (an additional 47 square miles, for a total of 50 years). Tier III is an area of about 98 square miles showing an additional 50 year growth beyond Tiers I and II. "Tier IV" would then represent the balance of the county, outside the growth of the other towns and outside a 100 year growth area for the city. Within these respective



Cardwell Woods

areas, different strategies should apply. Following is a recommended overall strategy for acreage development in the county, based on the Comprehensive Plan goals, the consultant reports on Buildthrough and Cost of Rural Service, and Performance-based Standards:

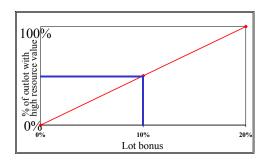
<u>Tier I:</u> Designed to anticipate and provide for near term city growth. This Tier would <u>not</u> allow new acreage development except for those areas currently zoned or shown, plus continued approval of "farmstead splits" and 20 acre lots, which are easy to subdivide later.

Tier II and Tier III:

- 1) Restrict new rezonings from AG to AGR to those areas shown in the Comprehensive Plan map, plus a limited number of parcels with a very high "performance" score (300 or over) due to the proximity of existing or anticipated acreage development, paved county roads, and other favorable characteristics.
- 2) Revise the current AG Cluster provisions for these Tiers to reflect the "Buildthrough Cluster" in which parcels of 40 acres or larger are designed and approved by the CUP mechanism as

cluster developments, with provisions built-in for conversion of the "acreage area" to higher density at the time of annexation, the undeveloped outlot having an infrastructure master plan provided, and agreements recorded on future responsibilities and expectations.

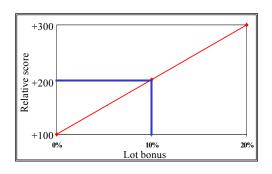
3) Continue to utilize the "farmstead split" provision and permit 20 acre lots in the AG district.



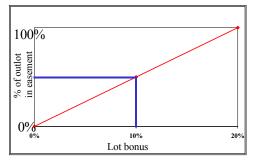
"Tier IV" (those areas beyond Tier II and Tier III):

- 1) No new AGR would be approved unless shown on the Comprehensive Plan map, except for a limited number of parcels with a very high performance score (300 or over) due to the proximity of existing or anticipated acreage development, paved county roads, and other favorable characteristics.
- 2) Implement and utilize the "two 3's per 40" provision as suggested in the Comprehensive Plan.
- 3) Employ CUP cluster provisions in AG, but modified as follows to be more "performance" based, restructuring the 20 % bonus provision that is currently offered to all cluster developments, as follows:
- a) assign a bonus of up to 20 percent based on the performance score ranging between 100 and 300;

b) assign a bonus, up to 20 percent, proportionate to the percentage of the outlot that is protected by a conservation easement (or equivalent);



c) increase the bonus by up to an additional 20 percent based on the percentage of the protected land that is "high resource value": wetland buffer, flood fringe, prime farmland, significant tree masses, and/or native prairie



- 4) Develop a Transfer of Development Rights provision that could be utilized in the approval of CUPs in AG. The developer could subdivide land into acreage lots without some or all of the open space normally required as an "on-site" outlot, if he/she protects "off-site" land by conservation easement. The provision would apply within a 2 to 3 mile radius, maintaining an overall low density and protecting environmental resources using the same or a similar formula as the CUP bonuses above. This will allow owners who want to farm and sell off their development rights to do so.
- 5) Retain the existing "farmstead split" and 20 acre lot provisions.

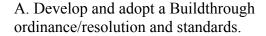
All Areas:

Consider a rural road impact fee to help equalize housing costs inside and outside Lincoln, and reduce the tax burden on city and county taxpayers. (It appears only the City has authority to "charge" an impact fee in the three mile ETJ, but the County Board would need to accept and be responsible to spend or reimburse the funds. This should be further researched by the City and County Attorneys to clarify any legal issues). This consideration should proceed if an when the District Court rules that the City's fee is legal. The "Rural Cost of Services" study suggests that this fee could be as much as \$7,000.

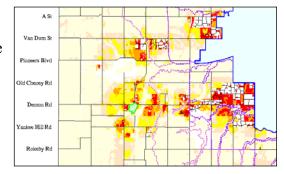
Pulling it all together, Implementation:

Though zoning, by the very nature of the techniques, does not provide "equity" for all land owners, the approach laid out above is intended to provide a balance of supply and demand, opportunities for landowners in various

circumstances and locations, and an equitable approach to managing the City and County tax impacts and services. Based on this document and the related studies, Planning staff recommends that the following implementation studies be undertaken:



B. Develop and adopt "Transfer of Development"



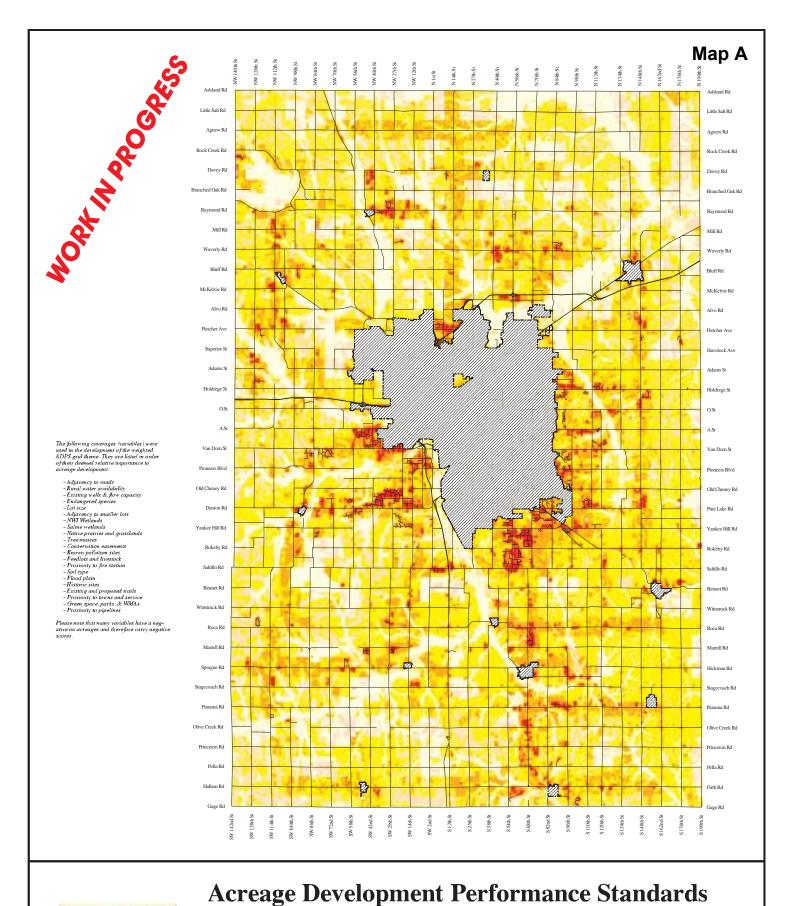
zoning language for AG clusters.

C. Adopt the suggested additions and modifications to the density bonus policies for AG cluster developments and to determine where AGR zoning is appropriate. Map "I" reflects the most recent run and variables incorporated in the GIS/Performance Mapping System. The darkest areas reflect scores of 301 or more, outside Tier I where AGR zoning would be appropriate. Medium-shaded areas reflect scores of 201 or more: these areas should qualify for a 20 percent bonus above the density of 1 lot per 20 acres. Utilize this map ant these threshold performance scores in applying the acreage policies noted above. The map incorporates 4.2 square miles of undeveloped land with scores of 3001 or more, of which, 1.5 square miles is currently zoned AGR.

D. Develop supporting studies for a rural road impact fee, if and when the city of Lincoln wins a favorable legal decision on its impact fees.

E. Develop a "2 3s per 40" split-off provision in the zoning for areas beyond Lincoln's Tier II and Tier III growth areas..

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R E L A T I V E S C O R E Less than -175 0 to 115

Less than -175 0 to 115

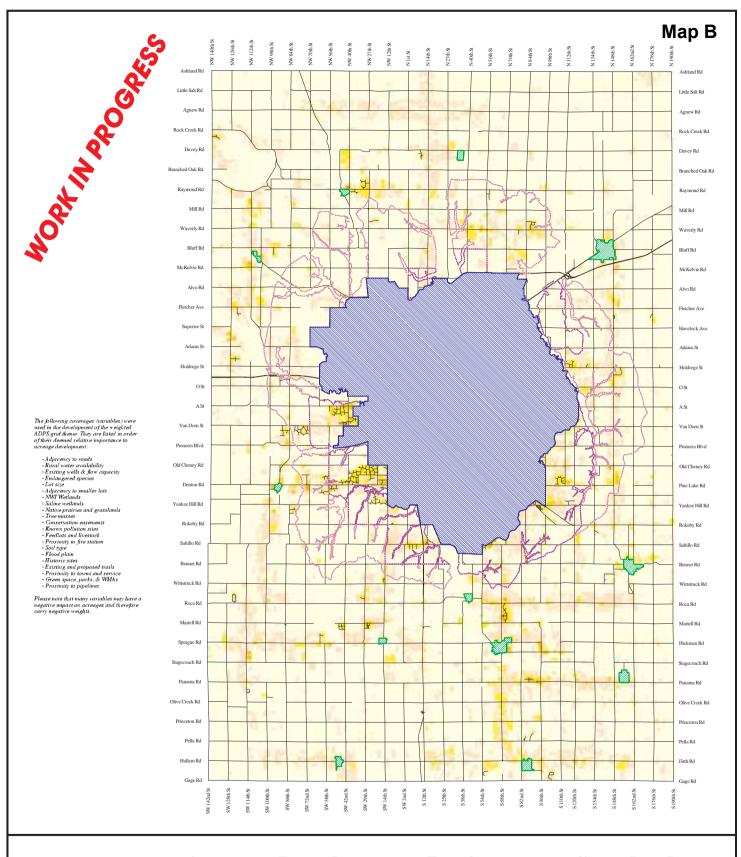
-175 to -120 115 or more

-120 to 0



Maximum = -775

Minimum = +425



Acreage Development Performance Standards



R E L A T I V E S C O R E L E G E N D

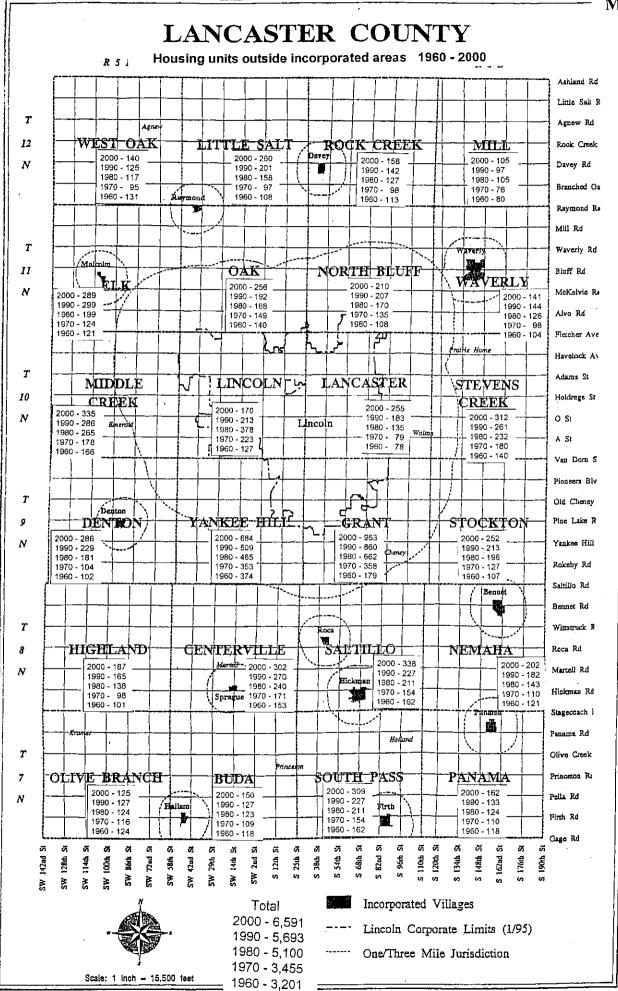
Less than 0 201 to 300 Incorporated Place

0 to 100 301 or more Future Service Limit (Tier 1)

101 to 200 Minimum = - 775 Tier 2

Maximum = + 425 Tier 3





HOUSING UNITS OUTSIDE INCORPORATED AREAS

TOWNSHIP	1990	2000	CHANGE	RANK CHANGE
West Oak	125	140	+15	18
Little Salt	201	260	+59	7
Rock Creek	142	158	+16	17
Mill	97	105	+8	19
Elk	299	289	-10	23
Oak	192	256	+64	6
North Bluff	207	210	+3	20
Waverly	144	141	-3	22
Middle Creek	286	335	+49	10
Lincoln	213	170	-43	24*
Lancaster	183	255	÷73	5*
Stevens Creek	261	312	+51	9
Denton	229	286	+57	8
Yankee Hill	509	684	+175	1
Grant (includes Cheney)	860	963	+103	3 .
Stockton	213	252	+39	11
Highland	165	187	+22	15
Centerville	270	302	+32	12
Saltillo	227	338	+111	2
Nemaha	182	202	+20	16
Olive Branch	127	125	-2	21
Buda	127	150	+23	14
South Pass	227	309	+82	4
Panama	133	162	+29	13

^{*} City limit expansion/annexation affects the count.

COUNTY RESIDENTIAL BUILDING ACTIVITY 1980-1994

	- -				·	 -					
AREA	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	
COUNTY 3-MILE	60	7	40	14	17	18	18	30	 53	61	
COUNTY RURAL	<u>2</u> 0	16	15	14	9	20	27	22	22	12	
TOTAL	80	23	55	28	26	38	45	50	75	73	-
AREA	1990	1991	1992	1993	1994		AN.	NUAL .	AVERA	GE 🔿	Zn/s
COUNTY						,	15		10		5 _,
3-MILE	97	60	78	61	95		47.3	!	57.1		78.2
COUNTY RURAL			30	47	37	:	23.1				34
TOTAL			108	108	132		70.4		 32.2		108.2
						Ĺ					28.4
20 to 40 acre parcels*	14	19	29	33	47						

9/14/95 COCP\BLD8094.MD

^{*} new residential construction based on Assessors records.

"Acreage" Building Permits 1998 - 2002

	1998	1999	2000	2001	2002
City 3 mile	86	48	36	36	47
County Balance	32	49	24	36	56
Total	118	97	60	72	103

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